

MINUTE ITEM

6. (REQUEST FOR DEFERMENT OF DRILLING AND OPERATING REQUIREMENTS, P.R.C. 1744.1, TIDEWATER OIL COMPANY, SANTA BARBARA COUNTY - W.O. 3081.)

After presentation of Calendar Item 7 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO THE TIDEWATER OIL COMPANY A DEFERMENT OF DRILLING AND OPERATING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 1744.1 TO JUNE 30, 1959. THE GRANT OF DEFERMENT IS TO BE SUBJECT TO THE EXPRESS CONDITION THAT DURING THE PERIOD OF DEFERMENT THE LESSEE WILL PERFORM ONE OF THE FOLLOWING ACTIONS:

1. INITIATE DEVELOPMENT ON THE LEASE;
2. QUITCLAIM THE LEASE AREA;
3. PRESENT NEW ADEQUATE BASES FOR ANY FURTHER CONSIDERATION OF THE DEFERMENT OF THE DRILLING AND OPERATING REQUIREMENTS UNDER THE LEASE.

Attachment

Calendar Item 7 (1 page)

CALENDAR ITEM

OIL & GAS

7.

(REQUEST FOR DEFERMENT OF DRILLING AND OPERATING REQUIREMENTS, P.R.C. 1744.1, TIDEWATER OIL COMPANY, SANTA BARBARA COUNTY - W.O. 3081.)

On July 25, 1958 (Minute Item 11, page 4158), the Commission approved the deferment of drilling and operating requirements under Oil and Gas Lease P.R.C. 1744.1 to January 1, 1959, to provide additional time for study by the lessee of data secured in recent drilling operations.

Under the terms of this lease, two wells have been drilled and no zone capable of producing oil and gas in commercial quantities has been encountered.

An application has been received from the Tidewater Oil Company for a further deferment of drilling and operating requirements under the lease until January 1, 1960, in order to complete negotiations with another operator for the drilling of a well in the leased area.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO GRANT TO THE TIDEWATER OIL COMPANY A DEFERMENT OF DRILLING AND OPERATING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 1744.1 TO JUNE 30, 1959. THE GRANT OF DEFERMENT IS TO BE SUBJECT TO THE EXPRESS CONDITION THAT DURING THE PERIOD OF DEFERMENT THE LESSEE WILL PERFORM ONE OF THE FOLLOWING ACTIONS:

1. INITIATE DEVELOPMENT ON THE LEASE;
2. QUITCLAIM THE LEASE AREA;
3. PRESENT NEW ADEQUATE BASES FOR ANY FURTHER CONSIDERATION OF THE DEFERMENT OF THE DRILLING AND OPERATING REQUIREMENTS UNDER THE LEASE.